

ICC Docket No. 03-0553

SBC Illinois Exhibit 2.1

**Rebuttal Testimony of Dr. Alan S. Frankel
On Behalf of SBC Illinois**

Schedule AF-R2

SBC Illinois Termination Liability Comparison:
TDS Metrocom Proposal vs. SBC Illinois Method, 36-Month Centrex Contract

ICC Docket No. 03-0553
SBC Illinois Exhibit 2.1 (Frankel)
Schedule AF-R2

Month	Price, By Term		Non-Recurring Charges		Remaining revenue: 3-Year Term	Early Termination Fee (ETF)			ETF as % of Remaining Revenue	
	3-Year Rates	Completed Term Rates	3-Year Rates	Completed Term Rates		Forward Looking	"Return the Discount"	Ratio	Forward-looking	"Return the Discount"
1	\$650	\$1,000	\$1,750	\$1,750	\$22,750	\$5,688	\$350	0.06	25.0%	1.5%
2	\$650	\$1,000	\$1,750	\$1,750	\$22,100	\$5,525	\$700	0.13	25.0%	3.2%
3	\$650	\$1,000	\$1,750	\$1,750	\$21,450	\$5,363	\$1,050	0.20	25.0%	4.9%
4	\$650	\$1,000	\$1,750	\$1,750	\$20,800	\$5,200	\$1,400	0.27	25.0%	6.7%
5	\$650	\$1,000	\$1,750	\$1,750	\$20,150	\$5,038	\$1,750	0.35	25.0%	8.7%
6	\$650	\$1,000	\$1,750	\$1,750	\$19,500	\$4,875	\$2,100	0.43	25.0%	10.8%
7	\$650	\$1,000	\$1,750	\$1,750	\$18,850	\$4,713	\$2,450	0.52	25.0%	13.0%
8	\$650	\$1,000	\$1,750	\$1,750	\$18,200	\$4,550	\$2,800	0.62	25.0%	15.4%
9	\$650	\$1,000	\$1,750	\$1,750	\$17,550	\$4,388	\$3,150	0.72	25.0%	17.9%
10	\$650	\$1,000	\$1,750	\$1,750	\$16,900	\$4,225	\$3,500	0.83	25.0%	20.7%
11	\$650	\$1,000	\$1,750	\$1,750	\$16,250	\$4,063	\$3,850	0.95	25.0%	23.7%
12	\$650	\$1,000	\$1,750	\$1,750	\$15,600	\$3,900	\$4,200	1.08	25.0%	26.9%
13	\$650	\$1,000	\$1,750	\$1,750	\$14,950	\$3,738	\$4,550	1.22	25.0%	30.4%
14	\$650	\$1,000	\$1,750	\$1,750	\$14,300	\$3,575	\$4,900	1.37	25.0%	34.3%
15	\$650	\$1,000	\$1,750	\$1,750	\$13,650	\$3,413	\$5,250	1.54	25.0%	38.5%
16	\$650	\$1,000	\$1,750	\$1,750	\$13,000	\$3,250	\$5,600	1.72	25.0%	43.1%
17	\$650	\$1,000	\$1,750	\$1,750	\$12,350	\$3,088	\$5,950	1.93	25.0%	48.2%
18	\$650	\$1,000	\$1,750	\$1,750	\$11,700	\$2,925	\$6,300	2.15	25.0%	53.8%
19	\$650	\$1,000	\$1,750	\$1,750	\$11,050	\$2,763	\$6,650	2.41	25.0%	60.2%
20	\$650	\$1,000	\$1,750	\$1,750	\$10,400	\$2,600	\$7,000	2.69	25.0%	67.3%
21	\$650	\$1,000	\$1,750	\$1,750	\$9,750	\$2,438	\$7,350	3.02	25.0%	75.4%
22	\$650	\$1,000	\$1,750	\$1,750	\$9,100	\$2,275	\$7,700	3.38	25.0%	84.6%
23	\$650	\$1,000	\$1,750	\$1,750	\$8,450	\$2,113	\$8,050	3.81	25.0%	95.3%
24	\$650	\$1,000	\$1,750	\$1,750	\$7,800	\$1,950	\$8,400	4.31	25.0%	107.7%
25	\$650	\$1,000	\$1,750	\$1,750	\$7,150	\$1,788	\$8,750	4.90	25.0%	122.4%
26	\$650	\$1,000	\$1,750	\$1,750	\$6,500	\$1,625	\$9,100	5.60	25.0%	140.0%
27	\$650	\$1,000	\$1,750	\$1,750	\$5,850	\$1,463	\$9,450	6.46	25.0%	161.5%
28	\$650	\$1,000	\$1,750	\$1,750	\$5,200	\$1,300	\$9,800	7.54	25.0%	188.5%
29	\$650	\$1,000	\$1,750	\$1,750	\$4,550	\$1,138	\$10,150	8.92	25.0%	223.1%
30	\$650	\$1,000	\$1,750	\$1,750	\$3,900	\$975	\$10,500	10.77	25.0%	269.2%
31	\$650	\$1,000	\$1,750	\$1,750	\$3,250	\$813	\$10,850	13.35	25.0%	333.8%
32	\$650	\$1,000	\$1,750	\$1,750	\$2,600	\$650	\$11,200	17.23	25.0%	430.8%
33	\$650	\$1,000	\$1,750	\$1,750	\$1,950	\$488	\$11,550	23.69	25.0%	592.3%
34	\$650	\$1,000	\$1,750	\$1,750	\$1,300	\$325	\$11,900	36.62	25.0%	915.4%
35	\$650	\$1,000	\$1,750	\$1,750	\$650	\$163	\$12,250	75.38	25.0%	1884.6%